

Message Text

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50

ACTION ARA-20

INFO OCT-01 ISO-00 SP-03 AID-20 EB-12 NSC-07 RSC-01

CIEP-03 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 PA-04 PRS-01 USIA-15 ARAE-00 DRC-01 /159 W

----- 084422

P R 011400Z OCT 74

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC PRIORITY 5799

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE BRASILIA 7477

E.O. 11652: N/A

TAGS: EFIN, BR

SUBJECT: SPECULATION ON POSSIBLE LARGE DROP IN BRAZILIAN RESERVES

REF: BRASILIA 7293

1. FOLLOWING REPORT RECEIVED FROM CONGEN SAO PAULO:
RE PARA 5 REFTEL, AT REGULAR CONGEN ROUNDTABLE HELD
SEPTEMBER 20, U.S. BANKERS COMMENTED THAT BRAZIL'S
RESERVES ALREADY SUBSTANTIALLY BELOW 6 BILLION AND MAY DROP
AS LOW AS 3-3.5 BILLION BY END OF YEAR IN ORDER TO COVER
EXPECTED PAYMENTS DEFICIT. THEY ADDED THERE NO REPEAT NO
POSSIBILITY OF BRAZIL CONTRACTING MAJOR NEW FOREIGN LOANS
DUE TO VIRTUAL SCARCITY OF FUNDS IN NORMAL INTERNATIONAL
MONEY MARKETS. RECENT REDUCTION OF MATURITY TERMS TO 5 YEARS
WOULD NOT CHANGE THIS OUTLOOK IN NEAR FUTURE. FYI: LUNCHEON
SOURCES WERE BANK OF BOSTON AND LOCAL REP OF J. HENRY SCHRODER.
EARLIER THIS WEEK, FNCB EXECUTIVE MADE ESSENTIALLY SAME COMMENTS
TO CONGEN.

2. EMBASSY COMMENT CONTAINED REFTEL.

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CRIMMINS

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BALANCE OF PAYMENTS DEFICITS, FINANCIAL RESERVES
Control Number: n/a
Copy: SINGLE
Draft Date: 01 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CollinP0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BRASIL07477
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740276-0929
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741084/aaaactxb.tel
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Office: ACTION ARA
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: BRASILIA 7293
Review Action: RELEASED, APPROVED
Review Authority: CollinP0
Review Comment: n/a
Review Content Flags:
Review Date: 09 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 SEP 2002 by boyleja>; APPROVED <03 MAR 2003 by CollinP0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
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Review Withdrawn Fields: n/a
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To: STATE
Type: TE
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